
RICE: WORLD MARKETS AND TRADE

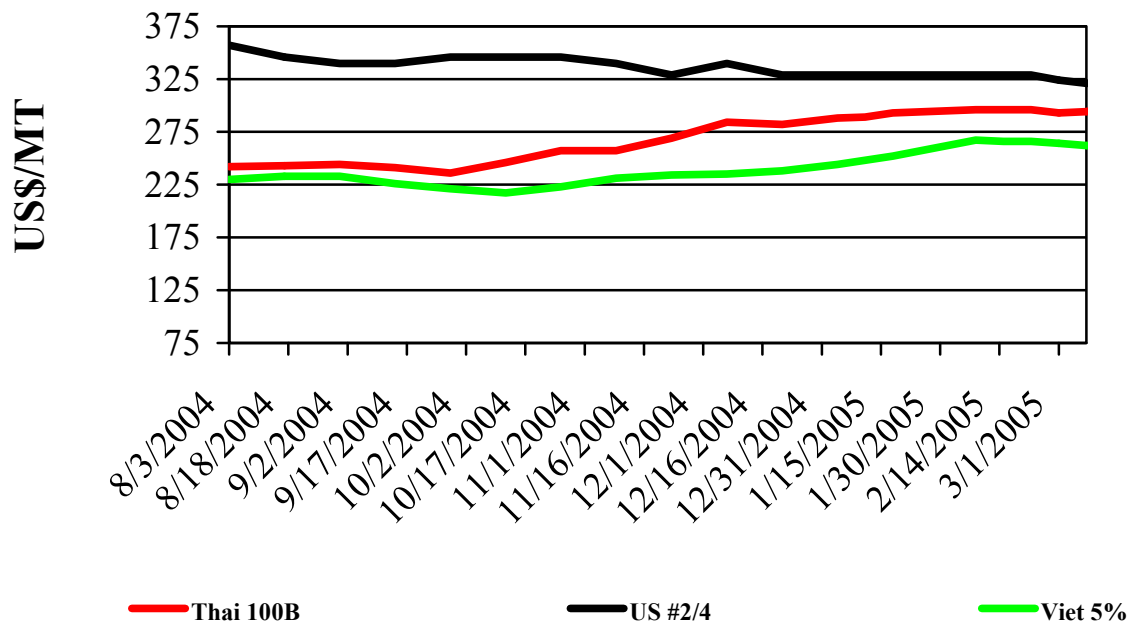
MONTHLY HIGHLIGHTS:

Philippines Imports Boosted: Despite the prospects of successive record harvests and large carryin stocks, the National Food Authority (NFA) nevertheless is still concerned about weather and rising prices later in the year. The Philippines is expected to import 1.6 million tons this year, the highest amount in 7 years. The NFA has already contracted for over 900,000 tons of rice in the first quarter, mainly from Vietnam. A third tender is expected in May.

PRICES:

International: Reversing course from last month, Asian prices have risen steadily. In Thailand, prices remain supported by the government intervention program, which has been extended to the dry crop. Thai 100B is currently quoted at \$301 per ton, FOB, up \$7 from last month. Viet prices have rebounded as well, but ample exportable supplies have tempered further price gains. Viet 5% is currently quoted at \$265 per ton, FOB, up \$3 from last month. In contrast, prices in India have softened slightly over the last month with 5% quoted at \$265 per ton, FOB, down \$5 from last month.

Nominal Price Quotes, 2004-Present



Domestic: U.S. prices remained unchanged from month to month, with U.S. #2/4 long grain milled rice quoted at \$321 per ton, FOB. The price spread between similar qualities of U.S. and Thai rice has shrunk to a low of \$20 per ton. Prices for U.S. #1/4 medium grain milled rice from California are currently quoted at \$290 per ton, FOB, down \$5 from last month.

TRADE CHANGES IN 2005

Selected Importers

- **Indonesia** is dropped 300,000 to 700,000 tons. The government intends to review the import ban in May, and there is speculation in the trade that it will be extended until the end of the year.
- **South Korea** is increased 20,000 to 230,000 tons to adjust for its new Minimum Market Access requirements.
- **Peru** is boosted 20,000 to 90,000 tons due to the brisk pace of imports through the first quarter of the year.
- Import demand is expected to surge 300,000 to 1.6 million tons in the **Philippines** in response to weather and price concerns.
- The **United States** is raised 15,000 to 475,000 tons due to expectations that the strong pace of imports in the fall will continue this year.

TRADE CHANGES IN 2004

Selected Exporters

- Changes to **Burma** are based on year-end export statistics.
- **India** is boosted 100,000 to 3.1 million tons based on stronger import demand in nearby markets during the second half of the year.
- **Pakistan** is raised 100,000 to 1.9 million tons due to stronger-than-expected imports by East African markets.

Selected Importers

- Changes to **Benin, Brunei, Iraq, Japan, South Korea (revised), Nigeria, Somalia, and South Africa** are based on year-end statistics.
- **Cameroon** is raised 50,000 to 275,000 based on increased import demand.
- **Indonesia** is reduced 50,000 to 650,000 tons based on near year-end statistics.
- **Sri Lanka** is raised 65,000 to 215,000 tons based on stronger imports from Pakistan and India.